

Section 42.—Low-Income Housing Credit

**Low-income housing credit; satisfactory bond; “bond factor” amounts for the period April through June 1998.** This ruling announces the monthly bond factor amounts to be used by taxpayers who dispose of qualified low-income buildings or interests therein during the period April through June 1998.

Rev. Rul. 98-31

In Rev. Rul. 90-60, 1990-2 C.B. 3, the

Internal Revenue Service provided guidance to taxpayers concerning the general methodology used by the Treasury Department in computing the bond factor amounts used in calculating the amount of bond considered satisfactory by the Secretary under § 42(j)(6) of the Internal Revenue Code. It further announced that the Secretary would publish in the Internal Revenue Bulletin a table of “bond factor” amounts for dispositions occurring during each calendar month.

This revenue ruling provides in Table 1 the bond factor amounts for calculating the amount of bond considered satisfactory under § 42(j)(6) for dispositions of qualified low-income buildings or interests therein during the period April through June 1998.

Table 1 Rev. Rul. 98-31 Monthly Bond Factor Amounts for Dispositions Expressed As a Percentage of Total Credits												
Calendar Year Building Placed in Service or, if Section 42(f)(1) Election Was Made, the Succeeding Calendar Year												
Month of Disposition	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Apr '98	61.09	75.25	75.96	77.87	80.16	82.79	85.46	87.97	90.41	93.03	95.60	97.21
May '98	61.09	75.25	75.75	77.65	79.93	82.55	85.20	87.69	90.12	92.74	95.31	97.21
Jun '98	61.09	75.25	75.54	77.44	79.71	82.31	84.95	87.43	89.85	92.46	95.05	97.21

For a list of bond factor amounts applicable to dispositions occurring during other calendar years, see the following revenue rulings: Rev. Rul. 95-83, 1995-2 C.B. 8, for dispositions occurring during calendar year 1995; Rev. Rul. 98-3, 1998-2 I.R.B. 4, for dispositions occurring during the calendar years 1996 and 1997; and Rev. Rul. 98-13, 1998-11 I.R.B. 4, for dispositions occurring the period January through March 1998.

**ments.** The rate of interest determined under section 6621 of the Code for the calendar quarter beginning July 1, 1998, will be 7 percent for overpayments, 8 percent for underpayments, and 10 percent for large corporate underpayments. The rate of interest paid on the portion of a corporate overpayment exceeding \$10,000 is 5.5 percent.

**DRAFTING INFORMATION**

The principal author of this revenue ruling is Jack Malgeri of the Office of Assistant Chief Counsel (Passthroughs and Special Industries). For further information regarding this revenue ruling, contact Mr. Malgeri at (202) 622-3040 (not a toll-free call).

Section 6621.— Determination of Interest Rate

26 CFR 301.6621-1: Interest rate.

**Interest rates; underpayments and overpay-**